

October 21, 2009

Michigan Senate Appropriations Sub-Committee
Executive Order # 2009-45

Dear Honorable Senators,

Thank you Mr. Chairman and committee members for taking up this extremely important issue. I am Larry Julian from Julian Vail, LLC and we represent Michigan Equine Partnership and the Michigan Standardbred Breeders Association. I am here in support of your action to over ride the Executive Order # 2009-45. There are parts of the EO which, I believe are warranted and then those that are not. I am speaking specifically about the changes ordered for Michigan Department of Agriculture and Office of the Racing Commissioner as it relates to horse racing in this great State.

I first would like to give you some documentation of what this order means. The Agriculture Commission now would become an advisory agency rather than setting policy and reviewing all that Michigan Department of Agriculture does in their daily function. Secondary, and not near as important, is the ability of the Governor to appoint without oversight, the Director of MDA. This mission is now completed by the Ag Commission and a bi-partisan vote of the Commission to approve the Director. This provides public input and oversight in the process which is a good thing.

The Office of the Racing Commissioner (ORC) currently works under the Horse Racing Law of 1995 as passed by the legislature and signed into law. Under this act the Racing Commissioner is the promoter and regulator of Horse Racing in this state. We must ask that you consider both the EO and the MDA budget, line item veto of the ORC from the 2009-2010 budget. We know that today, October 21, 2009, layoff notices were issued to many MDA employees. We also know and understand that in the racing and indirect jobs, there are approximately 20,000 in Michigan. We know that on November 5, 2009, the last horse race will be run due to no funding and no oversight by an unfunded ORC that will be abolished in January 2010 if this EO stands. There are currently 5 race tracks operating in Michigan with employees, tax base, property taxes and a productive contribution to the State of Michigan budget into the Equine Fund. The Equine Fund is consistently raided of funds for deemed more important functions of government. The Governor has repeatedly stated that she wants Horse Racing to stand on its own through the Equine Fund. Then leave the fund alone and it can stand on its own. Give us the tools to implement revenue raising games and we can survive without one nickel of government general fund dollars.

Please consider that Governor Granholm has repeatedly stated that she will go anywhere, do anything to save and create jobs in Michigan. She recently went overseas to bring business proposals to Michigan that would create over time, 11,000 new jobs. If we are to go along with this EO, we lose 20,000 plus horse racing jobs that have been in Michigan since 1933. Lose 20,000 to create the possibility of 11,000 new jobs over time. That doesn't sound like a reasonable trade off.

I certainly appreciate your time to read this testimony and will answer questions.

Sincerely,

Larry Julian
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